



General Assembly

February Session, 2022

Raised Bill No. 486

LCO No. 3996



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:
(FIN)

AN ACT CONCERNING TREASURER NOTIFICATION OF AND INTEREST ON UNCLAIMED PROPERTY.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 3-66a of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2022*):

3 (a) During the 2016 calendar year and every second year thereafter,
4 the Treasurer shall cause notice to be posted electronically on the
5 Treasurer's Internet web site of all property [having a value of fifty
6 dollars or more] reported and transferred to the Treasurer [which] that
7 was presumed abandoned during preceding calendar years and notice
8 of which was not previously published or posted. In addition to such
9 posted notice, the Treasurer may make such notice accessible to the
10 public electronically through additional telecommunications methods
11 as the Treasurer deems cost effective and appropriate.

12 (b) The posted notice required under subsection (a) of this section
13 shall contain: (1) The names, in alphabetical order, and the last-known
14 addresses, if any, of all persons reported as the apparent owners of

15 unclaimed property, and (2) a statement that any person possessing an
 16 interest in such property may obtain from the Treasurer information
 17 concerning the amount and description of such property and the name
 18 and address of the holder thereof free of charge. The Treasurer may
 19 cause to be posted at any time, in the manner prescribed in subsection
 20 (a) of this section, an additional notice stating that such list may be
 21 obtained from other specified sources.

22 (c) The Treasurer may insert in any such notice such additional
 23 information as the Treasurer deems necessary for the proper
 24 administration of this part.

25 (d) [The provisions of this section shall not apply to items reported in
 26 the aggregate pursuant to subsection (h) of section 3-65a.] On and after
 27 January 1, 2023, the Treasurer shall:

28 (1) Notify by first-class mail each person reported as the apparent
 29 owner of unclaimed property that was reported or transferred to the
 30 Treasurer during the preceding calendar year and for whom the holder
 31 of such property has reported a last-known address to the Treasurer.
 32 Such notice shall include information concerning the amount and
 33 description of such property and the process by which such owner may
 34 verify ownership to and claim such property; and

35 (2) Provide to each state agency annually, or more frequently as the
 36 Treasurer deems desirable, (A) a list of all persons reported as the
 37 apparent owner of unclaimed property that was reported or transferred
 38 to the Treasurer during the preceding calendar year or since the
 39 provision of the previous list, as applicable, and for whom the holder of
 40 such property has reported a last-known address to the Treasurer, and
 41 (B) the information specified under subdivision (1) of this subsection.
 42 Each state agency shall compare the list of persons provided by the
 43 Treasurer against such agency's records and shall send a notice in
 44 accordance with the provisions of subdivision (1) of this subsection to
 45 any person that matches the information maintained by such agency.

46 Sec. 2. Section 3-65a of the general statutes is repealed and the

47 following is substituted in lieu thereof (*Effective October 1, 2022*):

48 (a) Within one hundred eighty days before a presumption of
 49 abandonment is to take effect in respect to property subject to section 3-
 50 60b or 3-60c and within one year before a presumption of abandonment
 51 is to take effect in respect to all other property subject to this part, and if
 52 the owner's claim is not barred by law, the holder shall notify the owner
 53 thereof, by first class mail directed to the owner's last-known address,
 54 that evidence of interest must be indicated as required by this part or
 55 such property will be transferred to the Treasurer and will be subject to
 56 escheat to the state.

57 (b) [Within] Not later than ninety days after the close of the calendar
 58 year in which property is presumed abandoned, the holder shall pay or
 59 deliver such property to the Treasurer and file, on forms [which] that
 60 the Treasurer shall provide, a report of unclaimed property. Each report
 61 shall be verified and shall include: (1) The name, if known, and last-
 62 known address, if any, of each person appearing to be the owner of such
 63 property; (2) in case of unclaimed funds of an insurance company, the
 64 full name of the insured or annuitant and beneficiary and his or her last-
 65 known address appearing on the insurance company's records; (3) the
 66 nature and identifying number, if any, or description of the property
 67 and the amount appearing from the records to be due; [except that the
 68 holder shall report in the aggregate items having a value of less than
 69 fifty dollars;] (4) the date when the property became payable,
 70 demandable or returnable and the date of the last transaction with the
 71 owner with respect to the property; (5) if the holder is a successor to
 72 other holders, or if the holder has changed the holder's name, all prior
 73 known names and addresses of each holder of the property; and (6) such
 74 other information as the Treasurer may require.

75 (c) Verification, if made by a partnership, shall be executed by a
 76 partner; if made by an unincorporated association or private
 77 corporation, by an officer; and if made by a public corporation, by its
 78 chief fiscal officer.

79 (d) The Treasurer shall keep a permanent record of all reports
80 submitted to the Treasurer pursuant to this section.

81 [(e) Except for claims paid under section 3-67a and except as provided
82 in subsection (e) of section 3-70a, no owner shall be entitled to any
83 interest, income or other increment which may accrue to property
84 presumed abandoned from and after the date of payment or delivery to
85 the Treasurer.]

86 [(f)] (e) The Treasurer may decline to receive any property the value
87 of which is less than the cost of giving notice or holding sale, or may
88 postpone taking possession until a sufficient sum accumulates.

89 [(g)] (f) The Treasurer, or any officer or agency designated by the
90 Treasurer, may examine any person on oath or affirmation, or the
91 records of any person or any agent of the person including, but not
92 limited to, a dividend disbursement agent or transfer agent of a business
93 association, banking organization or insurance company that is the
94 holder of property presumed abandoned to determine whether the
95 person or agent has complied with this part. The Treasurer may conduct
96 the examination even if the person or agent believes the person or agent
97 is not in possession of any property that must be paid, delivered or
98 reported under this part. The Treasurer may bring an action in a court
99 of appropriate jurisdiction to enforce the provisions of this part.

100 [(h) Upon request of the holder, the Treasurer may approve the
101 aggregate reporting on an estimated basis of two hundred or more items
102 in each of one or more categories of unclaimed funds whenever it
103 appears to the Treasurer that each of the items in any such category has
104 a value of more than ten dollars but less than fifty dollars and the cost
105 of reporting such items would be disproportionate to the amounts
106 involved. Any holder electing to so report any such category in the
107 aggregate shall assume responsibility for any valid claim presented
108 within twenty years after the year in which the items in such category
109 are presumed abandoned.]

110 [(i)] (g) A record of the issuance of a check, draft or similar instrument

111 is prima facie evidence of the obligation represented by the check, draft
 112 or similar instrument. In claiming property from a holder who is also
 113 the issuer, the Treasurer's burden of proof as to the existence and
 114 amount of the property and its abandonment is satisfied by showing
 115 issuance of the instrument and passage of the requisite period of
 116 abandonment. Defenses of payment, satisfaction, discharge and want of
 117 consideration are affirmative defenses that shall be established by the
 118 holder.

119 [(j)] (h) Notwithstanding the provisions of subsection (b) of this
 120 section, the holder of personal property presumed abandoned pursuant
 121 to subdivision (5) of subsection (a) of section 3-57a shall (1) sell such
 122 property and pay the proceeds arising from such sale, excluding any
 123 charges that may lawfully be withheld, to the Treasurer, unless such
 124 property consists of military medals, in which case such property shall
 125 not be sold, and (2) provide the Treasurer with records deemed
 126 appropriate by the Treasurer of property so presumed abandoned. A
 127 holder of such property may contract with a third party to store and sell
 128 such property and to pay the proceeds arising from such sale, excluding
 129 any charges that may be lawfully withheld, to the Treasurer, provided
 130 the third party holds a surety bond or other form of insurance coverage
 131 with respect to such activities. Any holder who sells such property and
 132 remits the excess proceeds to the Treasurer or who transmits such
 133 property to a bonded or insured third party for such purposes, shall not
 134 be responsible for any claims related to the sale or transmission of the
 135 property or proceeds to the Treasurer. If the Treasurer exempts any such
 136 property from being remitted or sold pursuant to this subsection,
 137 whether by regulations or guidelines, the holder of such property may
 138 dispose of such property in any manner such holder deems appropriate
 139 and such holder shall not be responsible for any claims related to the
 140 disposition of such property or any claims to the property itself. For
 141 purposes of this subsection, charges that may lawfully be withheld
 142 include costs of storage, appraisal, advertising and sales commissions as
 143 well as lawful charges owing under the contract governing the safe
 144 deposit box rental.

145 [(k)] (i) In the event military medals are presumed abandoned
 146 pursuant to subdivision (5) of subsection (a) of section 3-57a, a banking
 147 or financial organization shall transmit such medals to the Department
 148 of Veterans Affairs in accordance with procedures established by the
 149 Treasurer. The Treasurer and Commissioner of Veterans Affairs shall
 150 enter into a memorandum of understanding concerning the handling of
 151 such medals and the Department of Veterans Affairs shall hold such
 152 medals in custody pursuant to such memorandum. The Treasurer may
 153 make any information obtained pursuant to this section, including any
 154 photograph or other visual depiction of a military medal but excluding
 155 Social Security numbers, available to the public to facilitate the
 156 identification of the original owner of such medal or such owner's heirs
 157 or beneficiaries.

158 Sec. 3. Section 3-70a of the general statutes is repealed and the
 159 following is substituted in lieu thereof (*Effective October 1, 2022*):

160 (a) Any person claiming an interest in property surrendered to the
 161 Treasurer under the provisions of this part may claim such property, or
 162 the proceeds from the sale thereof, at any time thereafter. Any person
 163 claiming an interest in such property shall file a certified claim with the
 164 Treasurer, setting forth the facts upon which such party claims to be
 165 entitled to recover such money or property. The Treasurer shall
 166 prescribe the form that such a verified claim shall take.

167 (b) The Treasurer shall consider each claim not later than ninety days
 168 after it is filed. The Treasurer may hold hearings on any claim and may
 169 refer any claim to the Office of the Claims Commissioner, which shall
 170 hold hearings thereon and promptly return the Claims Commissioner's
 171 recommendations for the payment or rejection thereof. The Treasurer
 172 shall deliver the Treasurer's decision in writing on each claim heard,
 173 with a finding of fact and a statement of the reasons for the Treasurer's
 174 decision. Any person aggrieved by a decision of the Treasurer may
 175 appeal therefrom in accordance with the provisions of section 4-183,
 176 except venue for such appeal shall be in the judicial district of New
 177 Britain.

178 (c) No agreement to locate property shall be valid if: (1) Such
 179 agreement is entered into (A) within two years after the date a report of
 180 unclaimed property is required to be filed under section 3-65a, as
 181 amended by this act, or (B) between the date such a report is required to
 182 be filed under said section and the date it is filed under said section,
 183 whichever period is longer, (2) such agreement is entered into within
 184 two years after the date of posting of the notice required by section 3-
 185 66a, as amended by this act, or (3) pursuant to such agreement, any
 186 person undertakes to locate property included in a report of unclaimed
 187 property that is required to be filed under section 3-65a, as amended by
 188 this act, for a fee or other compensation exceeding ten per cent of the
 189 value of the recoverable property. An agreement to locate property shall
 190 be valid only if it is in writing, signed by the owner, and discloses the
 191 nature and value of the property, and the owner's share after the fee or
 192 compensation has been subtracted is clearly stipulated. Nothing in this
 193 section shall be construed to prevent an owner from asserting, at any
 194 time, that any agreement to locate property is based upon excessive or
 195 unjust consideration.

196 (d) The Treasurer shall pay each claim allowed without deduction for
 197 costs of notices or sale or for service charges. The Treasurer shall notify
 198 the Commissioner of Revenue Services of the payment of claims of five
 199 hundred dollars or more to the domiciliary administrator or executor of
 200 a deceased owner.

201 (e) In the case of any claim allowed under this section for property,
 202 funds or money delivered to the Treasurer, [pursuant to subdivision (1)
 203 or (2) of subsection (a) of section 3-57a,] the Treasurer shall pay such
 204 claim with interest as follows: For each calendar year or portion thereof
 205 that the property, funds or money has been paid or delivered to the
 206 Treasurer, the Treasurer shall pay interest at a rate that is not less than
 207 the deposit index, as determined under section 36a-26, for such year.
 208 Such interest shall accrue from the date of payment or delivery of the
 209 property, funds or money to the Treasurer until the date of payment or
 210 delivery of the property, funds or money to the claimant.

211 Sec. 4. Subsection (a) of section 3-67a of the general statutes is
 212 repealed and the following is substituted in lieu thereof (*Effective October*
 213 *1, 2022*):

214 (a) Upon payment or delivery of property presumed abandoned to
 215 the Treasurer, the state shall assume custody and [, except as otherwise
 216 provided in subsection (h) of section 3-65a,] shall be responsible for all
 217 claims thereto. If, after payment or delivery to the Treasurer, any holder
 218 is compelled by authority of another jurisdiction to make a second
 219 payment, the Treasurer, upon proof thereof, shall refund to the holder
 220 the amount of such second payment not in excess of the amount paid or
 221 realized under the provisions of this part.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2022</i>	3-66a
Sec. 2	<i>October 1, 2022</i>	3-65a
Sec. 3	<i>October 1, 2022</i>	3-70a
Sec. 4	<i>October 1, 2022</i>	3-67a(a)

Statement of Purpose:

To require the Treasurer and state agencies to notify the apparent owner of unclaimed property that was reported or transferred to the Treasurer and to authorize interest on the payment of claims of property presumed abandoned.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]